

**STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER**

In the Matter of

PRESTON BURDWIN LEONARD,

Applicant.

Order No. 15-0124

CONSENT ORDER SETTING
CONDITONS FOR A
PROBATIONARY
PRODUCER'S LICENSE

This Consent Order Setting Conditions for a Probationary Producer's License ("Order") is entered into by the Insurance Commissioner of the state of Washington, acting pursuant to the authority set forth in RCW 48.02.060 and RCW 48.17.530 and Preston Burdwin Leonard, ("Mr. Leonard").

BASIS:

1. On October 12, 2011, Mr. Leonard obtained his Washington State Insurance Producer's license, WAOIC No. 796403, for the lines of Life and Disability insurance.
2. AFLAC terminated Mr. Leonard's contract on August 6, 2013.
3. On August 16, 2013, Mr. Leonard's producer license was cancelled and a "Disciplinary Block" was added by the Insurance Commissioner. The "Disciplinary Block" was due to the substantiated results of an investigation conducted by the Office of Insurance Commissioner. The Insurance Commissioner decided not to pursue enforcement measures since Mr. Leonard did not have an active license at that time.

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4. On February 23, 2015, Mr. Leonard contacted the Licensing Division of the Washington State Insurance Commissioner's Office requesting that his producer license be reactivated.

5. In October 2012, Mr. Leonard met with consumers when they attended a conference in Spokane, Washington. Mr. Leonard told them that they were entitled to receive money under the wellness provision of their policies.

6. Mr. Leonard had two consumer sign thirteen blank wellness claim forms and which Mr. Leonard later fraudulently completed and turned into AFLAC. The forms were for unclaimed healthcare services provided between 2005 and 2012.

7. RCW 48.17.530(1) provides the Insurance Commissioner authority to place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license, an insurance producer's license, a title insurance agent's license, or any surplus line broker's license, or the authority to levy a fine in accordance with RCW 48.17.560 for any of the following causes:

(h) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in this state or elsewhere.

8. Pursuant to this statute, RCW 48.17.530(1)(h), the Insurance Commissioner is authorized to issue a Probationary Producer's License based upon Mr. Leonard's submission to AFLAC of falsified claim forms. Probation will continue until the applicant's first license renewal or until the conditions of the probationary license have been met, whichever occurs later.

CONSENT TO ORDER:

Mr. Leonard, acknowledging his duty to comply fully with the applicable laws of the state of Washington, consents to the following in consideration of his desire to become licensed as a Resident Insurance Producer in Washington and to resolve this matter without

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further administrative or judicial proceedings. The Insurance Commissioner consents to settle the matter in consideration of the terms set forth below.

1. Mr. Leonard consents to the entry of this Order, waives any and all hearing rights, and further administrative or judicial challenges to this Order.

2. By agreement of the parties, the Insurance Commissioner will issue Mr. Leonard a probationary Insurance Producer's License, on the conditions that:

- a. Mr. Leonard provides the Insurance Commissioner a written statement which certifies that ^{he per-act} ~~she~~ has had no other disciplinary actions or criminal violations other than minor traffic citations that do not involve a felony or misdemeanor in the last five (5) years.
- b. The license issued to Mr. Leonard will be a probationary Insurance Producer's license under RCW 48.17.530. Under the terms of this probationary license, the probationary period is the period of this first issued license. If any administrative action is taken against any license Mr. Leonard holds within any state, any action taken against Mr. Leonard by FINRA, or if Mr. Leonard is convicted of any criminal violation, including felony or misdemeanor traffic violations, this probationary Washington Resident license will be revoked.
- c. Under the terms of this probationary license, for the period of his first issued license. Mr. Leonard will be eligible to obtain a full, non-probationary license upon his first renewal.
- d. Mr. Leonard understands and agrees that any future failure to comply with the statutes and regulations governing the insurance and securities industries, or future conviction of a crime other than minor traffic violations that are not felony or misdemeanor violations, constitutes grounds for any further penalties which may be imposed in direct response to such further violation, in addition to the revocation of his probationary Resident Washington Insurance Producer's license.

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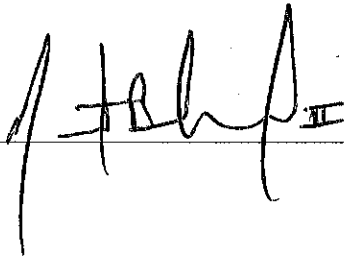
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3. This Order constitutes admissible evidence that may be considered in any future action by the Insurance Commissioner involving Mr. Leonard. However, the fact of this Order, and any provision, finding, or conclusion contained herein does not, and is not intended to, determine any factual or legal issues or have any preclusive or collateral estoppel effects in any lawsuit by any party other than the Insurance Commissioner, based upon any allegation, fact, or legal principle involved in this action.

EXECUTED this 16th day of May, 2015.

PRESTON BURDWIN LEONARD

A handwritten signature in black ink, appearing to read "P. Leonard", is written over a horizontal line.

AGREED ORDER:

Pursuant to the foregoing factual basis and consent to order, the Insurance Commissioner hereby orders as follows:

1. PRESTON BURDWIN LEONARD shall comply with the conditions set forth above.
2. Upon receipt by the Insurance Commissioner of this signed Order and the certification set forth in paragraph (2)(a), above, a probationary Washington Resident Insurance Producer's license will be issued to Mr. Leonard.
 - e. Mr. Leonard shall comply with and carry out all applicable laws governing the insurance and securities industries in all states in which he does business, and will also comply with all criminal laws.
3. Mr. Leonard's failure to comply with the terms of this probationary licensure shall result in the revocation of his probationary Washington Resident Insurance Producer's

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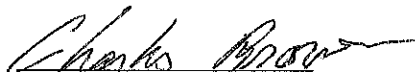
license and in any other enforcement action which may be taken as a result of such further violation.

ENTERED AT TUMWATER, WASHINGTON, this 22nd day of May, 2015.



MIKE KREIDLER
Insurance Commissioner

By



Charles Brown
Senior Insurance Enforcement Specialist
Legal Affairs Division

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